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JEAN LAKE LITHIUM MINES LIMITED

Annual Report

For the Year Ending December 31st, 1958

Authorized Capital 3,000,000 Shares of $1.00 par value
Issued Capital 1,875,005 Shares
Incorporated under the Laws of Ontario

OFFICERS

P. C. FINLAY, Q.C. - - - - - - - - - President
THOMAS H. REA - - - - - - - - - Vice-President
HENRY HUNTER - - - - - - - Secretary-Treasurer

DIRECTORS

P. C. Finlay, Q.C., Toronto
Thomas H. Rea, Toronto
Allen A. McMartin, Montreal
Eric Cradock, Toronto
Henry Hunter, Toronto

REGISTRAR AND TRANSFER AGENT

CROWN TRUST COMPANY, Toronto

SOLICITORS

HOLDEN, MURDOCH, WALTON, FINLAY, ROBINSON & PEPALL

AUDITORS

AMPLEFORD, BROADHEAD & CO., Toronto

HEAD OFFICE

2402 Bank of Nova Scotia Building, Toronto

JEAN LAKE LITHIUM MINES LIMITED

Directors' Report

To the Shareholders:

Your Directors submit herewith for your approval copy of your Company's Balance Sheet as at December 31st, 1958, together with Statement of Exploration and Development including Head Office and Administration Expenses for the period from the inception of the Company, October 7th, 1955 to December 31st, 1958, duly certified by the Company's Auditors.

No operations were carried out at the mine property during the year 1958, and as previously reported, from drilling carried out on Zone No. 4 up to the end of June, 1956, an ore zone having an estimated tonnage of 1,689,000 tons and an average grade of 1.30% Li_2O with both ends of the ore zone still open, was indicated.

While the results of the work on this ore zone were very satisfactory, it was decided to postpone further development work pending improvement in the market for the sale of lithium.

On behalf of the Board,

P. C. FINLAY,
President.

Toronto, Ontario,
May 26th, 1959.

JEAN LAKE LITHIUM MINES LIMITED

Balance Sheet as at December 31st, 1958

ASSETS

CURRENT:		
Cash on Hand and in Bank	$ 9,348.07	
Due from other Mining Companies	195.26	
Due from Lithijean Mines Limited	41.01	$ 9,584.34
Shares in Subsidiary Company — Lithijean Mines Limited (See Note) 710,000 shares, at cost		23,001.00
MINING PROPERTIES:		
Mining Claims:		
57 Unpatented Claims in the Port Arthur Mining Division held under Mining Licence, acquired for 750,000 shares of Capital Stock valued by the Directors at	$ 75,000.00	
29 Unpatented Claims (Assad Group) in the Port Arthur Mining Division, held under Mining Licence, acquired for 125,000 shares of Capital Stock valued by the Directors at	18,750.00	93,750.00
Field Equipment, at cost		4,589.32
Exploration and Development, including Head Office and Administrative Expenses		165,189.65
Incorporation and Organization		4,412.25
		$300,526.56

LIABILITIES

CURRENT:			
Accounts Payable and Accrued Charges		$ 1,650.00	
Due to other Mining Companies		5,121.56	$ 6,771.56
CAPITAL STOCK:			
AUTHORIZED:			
3,000,000 shares of $1.00 Par Value each	$ 3,000,000.00		
ISSUED AND FULLY PAID:			
875,000 shares issued for Mining Properties	$ 875,000.00		
Less: Discount	781,250.00	$ 93,750.00	
1,000,005 shares issued for Cash	$ 1,000,005.00		
Less: Discount	800,000.00	200,005.00	
1,875,005 shares (total) for			293,755.00
			$300,526.56

Approved on behalf of the Board:
H. HUNTER, Director.
P. C. FINLAY, Director.

NOTE: No amount has been included in the accounts in connection with the operations of the Subsidiary Company, which is a non-producing Mining Company and has had neither operating profits nor losses since incorporation, all its expenditures having been deferred to future operations.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the Balance Sheet of Jean Lake Lithium Mines Limited as at December 31, 1958, and the Statement of Exploration and Development, including Head Office and Administration Expenses, for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

We have not examined the titles to the Mining Properties and subject thereto we report that, in our opinion, the above Balance Sheet and accompanying Statement of Exploration and Development, including Head Office and Administration Expenses, present fairly the financial position of the Company as at December 31, 1958, and the results of its operations for the year ended on that date.

Toronto, Canada,
May 21, 1959.

AMPLEFORD, BROADHEAD & CO.,
Chartered Accountants.

JEAN LAKE LITHIUM MINES LIMITED

STATEMENT OF EXPLORATION AND DEVELOPMENT INCLUDING HEAD OFFICE AND ADMINISTRATION EXPENSES

For the period from inception of the Company, October 7, 1955, to December 31, 1958

	Expenses to December 31, 1957	Expenses for the year	Total
EXPLORATION AND DEVELOPMENT:			
Assaying and Sampling	$ 4,106.75	$ ----------	$ 4,106.75
Barge Expense	225.07	----------	225.07
Camp Rental	2,260.00	----------	2,260.00
Camp Supplies	3,003.31	(31.54)	2,971.77
Cookery Expense	5,299.23	(29.35)	5,269.88
Core Boxes	1,302.25	----------	1,302.25
Diamond Drilling, Surface	74,142.20	----------	74,142.20
Drill Expense	384.35	----------	384.35
Engineers' Fees	4,099.40	----------	4,099.40
Equipment Parts and Repairs	236.46	----------	236.46
General Field Expenses	453.04	546.28	999.32
Geologist Fees	400.00	----------	400.00
Insurance	350.30	253.29	603.59
Licenses, Fees, etc.	707.10	100.00	807.10
Loss on Sale of Equipment	----------	11,678.84	11,678.84
Maps, Prints, Drafting	469.37	----------	469.37
Road Construction, Rentals and Repairs	8,233.40	1,074.88	9,308.28
Sundry Office Expense, Telephone, etc.	1,063.72	108.46	1,172.18
Temporary Camps	137.34	----------	137.34
Travelling Expense	6,697.81	----------	6,697.81
Truck and Tractor Expense	6,111.51	318.28	6,429.79
Unemployment Insurance Expense	179.91	----------	179.91
Wages	18,624.63	64.93	18,689.56
Workmen's Compensation	782.82	----------	782.82
	$139,269.97	$14,084.07	$153,354.04
HEAD OFFICE AND ADMINISTRATION:			
Annual Meeting	$ 587.40	$ 191.40	$ 778.80
Audit Fees	675.00	150.00	825.00
Filing Fees and Taxes	60.00	50.00	110.00
Insurance	476.13	----------	476.13
Legal Fees	3,170.04	859.00	4,029.04
Office Services	2,250.00	600.00	2,850.00
Prospectus	473.37	----------	473.37
Stock Certificate Printing	715.00	----------	715.00
Sundry	63.09	2.54	65.63
Transfer Agents' Fees	1,012.64	500.00	1,512.64
	$ 9,482.67	$ 2,352.94	$ 11,835.61
Total	$148,752.64	$16,437.01	$165,189.65